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Deutsches Institut für
Entwicklungspolitik

German Development
Institute



CSIS INDONESIA

Expert Conference

**Promoting a green and just recovery:
Leveraging the potential of G20 and G7
Cooperation**

Virtual Format, two half days, 13 and 14 September 2021 starting at
2.00 pm CEST

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This conference is part of a series focusing on the role of the G20 and G7 in support of sustainable development.¹ This year's conference will focus on the role of the G20 and G7 in promoting the recovery from the Covid-19 pandemic that promotes a green and just transformation of economic systems. The conference reflects on the outcomes of the Carbis Bay G7 summit and the discussions within the G20 ahead of the Rome leaders' summit but focuses on a forward-looking approach to explore potential policy initiatives promoted by the Indonesian G20 presidency and German G7 presidency in 2022 which will have a significant impact on success or failure of the UN High-level Political Forum on Sustainable Development (HLPF) on Leaders' level in 2023 and progress in the multilateral climate process under the UNFCCC, including COP27.

The Covid-19 pandemic has acted as a magnifying glass under which we can view the state of international cooperation. First, it underlined that many global problems are indeed global and require global cooperation and international policy responses. For example, export bans for medical equipment or the unequal roll-out of vaccines are inadequate to contain the virus and its mutations. Second, it demonstrates the inefficiency of responding to global problems with a silo mentality. Indeed, the Covid-19 pandemic is not just a health crisis, but systemically interlinked with the climate, biodiversity and social crises. Third, the initial responses to the Covid-19 pandemic challenged our thinking about development. While many of the poorer nations responded relatively effectively and were able to contain the spread of the virus, some of the wealthiest nations have been struggling to find the right answers. At the same time, developing countries are severely affected by the socio-economic impact of the pandemic and are further disadvantaged by the asymmetric provision of stimulus funding or vaccines. These challenges call for sustained international efforts to work towards a balanced recovery that is benefitting all countries, in particular the Global South, and that systemically addresses health, climate as well as socio-economic crises.

It is necessary to learn from the experiences of the past two years to be able to meet the goals of the 2030 Agenda for Sustainable Development at the end of the decade and to make up for respective setbacks during the pandemic. While the United Nations system is the natural focal point of international cooperation on sustainable development and climate action, the G20 and G7 in the past years have been a relevant albeit struggling promoter of multilateral cooperation. Club governance formats such as the G20 and G7 provide important venues to facilitate dialogue and policy action to advance sustainable development. With a collective responsibility for 80 percent of global greenhouse gas emissions, while representing 80 percent of global wealth, it is imperative that the countries of the G20 throw their weight behind the implementation of both the Paris Agreement and the 2030 Agenda for Sustainable Development. The G7, too, is an important forum to advance international cooperation. A crucial contribution of the G7 countries is to underscore the universal character of the SDGs by advancing their implementation at home and by reducing negative spillovers on other countries. Furthermore, it is important to further interlinkages between the G20 and the G7 for the

¹The [first Expert Conference on the G20's role in support of sustainability and climate action](#) took place on 20 March 2019 in Berlin. The outcomes of the expert conference are reflected in Bauer, Berger & Iacobuta (2019): [With or without you: how the G20 could advance global action towards climate-friendly sustainable development](#), Briefing Paper 10/2019. German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE).

benefit of improved international cooperation. The particular strength of club governance formats lies in the potential to bridge policy silos and to strengthen the contribution of trade and finance for sustainable development and climate action. The EU has a significant role to play in both clubs and the respective UN processes by harnessing its European Green Deal to support ambitious global cooperation.

This Expert Conference will discuss the potential of the G20 and G7 to advance global sustainability and climate action through transformations in three key policy fields – finance, trade and social protection. Three dedicated sessions will elaborate on the role of the G20 and G7 to promote a transformation of the international financial and trading systems towards a sustainable and climate-friendly global economy. The sessions will identify the relevant actors and their tasks to shape a sustainable future and point out the role of the G20 and G7 in this process.

The conference brings together policy makers and experts from think tanks and other G20 and G7 engagement groups such as civil society, business and labour in an informal setting suitable for interactive and results-oriented discussions. It will be held under the Chatham House Rule,² to ensure open and frank discussions.

The Expert Conference will be organised by the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE) in cooperation with the Center for Strategic and International Studies and the Sustainable Development Solutions Network Europe.

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² Conference participants are free to use the information received, but neither the identity nor the affiliation of the speakers may be revealed.

13 September 2021

14:00-14:10 **Welcome and Introduction**

Imme Scholz, Deputy Director, German Development Institute/Deutsches Institut für Entwicklungspolitik (DIE)

Philips J. Vermonte, Executive Director, Centre for Strategic and International Studies (CSIS)

14:10-15:00 **Opening Panel: Reflecting on the crisis response of the G20 and G7**

Guiding questions:

- *How effective was the response of the G20 and G7 in 2020 and 2021 to the Covid-19 pandemic and the ensuing socio-economic crisis?*
- *How successful did the G20 and G7 fulfil their respective roles to make available vaccines for developing countries, e.g. through the COVAX initiative?*
- *What can we learn from the coordination of the G20 and G7 processes, in particular with regard to the multilateral processes to advance sustainability and climate action?*

Panelists:

- Camilla Bausch, Scientific & Executive Director, Ecologic Institute and T20 Italy Co-Chair of the T20 Task Force on Climate Change, Sustainable Energy and Environment
- Ulrich Oberndorfer, Head of the G7/G20-Sherpa Office in the Federal Chancellery
- Andrea Ordonez, Director Southern Voice
- Lord Mark Sedwill, G7 Envoy on Economic Resilience
- Paola Subacchi, Professor, Global Policy Institute, Queen Mary University of London

Chair: Adolf Klope-Lesch, Co-Chair of SDSN Europe

15:00-15:10 **Short break**

15:10-16:10 **Session I: Transforming the global financial system towards a sustainable global recovery**

Guiding questions:

- *How should the global financial governance architecture be reformed to enhance the resilience and sustainability of financial markets and support a green and inclusive global recovery?*
- *How should policy frameworks be adjusted to incentivise private investments that support sustainable development and a just transition?*
- *How to leverage public climate financing to meet the commitment of supporting developing countries with \$100 billion per year?*
- *What actions need to be taken to climate-proof our financial systems?*

Discussion starters, among others:

- Shamshad Akhtar, Chair of the Board, Pakistan Stock Exchange
- Yose Risal Damuri, Head of Economic Department, CSIS
- Stephany Griffith-Jones, Financial Markets Director at the Initiative for Policy Dialogue (IPD), Columbia University
- Febrio N. Kacaribu, Head Fiscal Policy Agency, Ministry of Finance, Republic of Indonesia

- Jürgen Zattler, Director General International Development Policy; 2030 Agenda; Climate, Federal Ministry for Economic Co-Operation and Development (BMZ)

Chair: Ulrich Volz, Senior Researcher at DIE and Professor of Economics at SOAS, University of London

14 September 2021

14:00-14:10 **Welcome and Introduction**
Anna-Katharina Hornidge, Director, DIE

14:10-15:10 **Session II: Leveraging “Climate Clubs” to build coalitions to support climate neutrality**

Guiding questions:

- *How can G20 and G7 countries build coalitions to use ambitious climate policies?*
- *Which countries should be part of such a club to achieve a critical mass and avoid free riding?*
- *How are climate clubs perceived and what are the effects of ambitious climate policies on countries outside of the club, in particular developing countries?*
- *If Carbon Border Adjustment Mechanisms are implemented, how should they be designed to take into account developing country perspectives?*

Discussion starters, among others:

- Clara Brandi, Senior Researcher, DIE
- Creon Butler, Research Director, Trade, Investment and New Governance Models, and Director, Global Economy and Finance Programme, Chatham House
- Shuo Li, Climate and Energy Campaigner, Greenpeace China

Chair: Shafiah F. Muhibat, Senior Researcher and Head Department of International Relations, CSIS

15:10-15:20 **Short break**

15:20-16:20 **Session III: Building Forward Better, (re-)distribution and the implementation of inclusive socio-ecological transitions: The role of social protection**

Guiding questions:

- *What are the distributive effects of the pandemic and the ensuing socio-economic crisis? How can the most vulnerable people be supported during the recovery?*
- *How can social protection be provided to reduce the adverse effects of the sustainable recovery and the socio-ecological transitions? What kind of social protection measures are needed to minimize risks?*
- *How should the G20 and G7 respond to the challenge of stranded assets?*
- *Which role can the G20 and G7 play in advancing discussion and action on how distribution and redistribution of climate policy revenues and other*

transformative policies can be organized to unleash the redistributive power for an inclusive socio-ecological transition?

Discussion starters, among others:

- Cecilia Costella, Senior Technical Advisor, Red Cross Red Crescent Climate Centre
- Alin Halimatussadiyah – Institute for Economic and Social Research, University of Indonesia
- Phoebe Koundouri, Co-Chair SDSN Europe
- Jan Steckel, Head of working group Climate and Development, Mercator Research Institute on Global Commons and Climate Change (MCC)

Chair: Daniele Malerba, Researcher, DIE

16:20-17:00 **Concluding Panel: Looking ahead to 2022 and beyond**

Guiding questions:

- *What are the prospects and strategies to advance the integration of climate and sustainable development during the Indonesian G20 and German G7 presidencies?*
- *How can the policy ideas discussed during the conference inform the G20 and the G7 processes?*

Panelists:

- Edi Prio Pambudi, G20-Co-Sherpa, Advisor to the Minister, Coordinating Ministry for Economic Affairs, Indonesia
- Miranda Schreurs, Chair of Environmental and Climate Policy, Technical University Munich
- Sébastien Treyer, Executive Director, Institute for Sustainable Development and International Relations (IDDRI)

Chair: Anna-Katharina Hornidge, Director, DIE